# INFORMATION REPORT INFORMATION REPORT

#### CENTRAL INTELLIGENCE AGENCY

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SUBJECT	Railroad Info	rmation		DATE DIS	TR.	12 M	ay 1955	
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#### 1. Lesses and Economies on Railroads.

- a. A loss of 400 million forints was incurred by the Hungarian State Railroads (May) during the year 1954 the first time this happened during the Five-Year Plan, no other year having ended with a loss. The costs of the pakura-peat production accounted for 80 million forints of this figure.
- b. The Ministry of Mail and Transportation is being forced to cut down on projects, in order to keep within its 1955 budget. On 15 February, 1955 a conference was held of all heads of departments in the ministry, with the object of deciding on the economies necessary to enable the new railroad stations at Gydr and Hatvan to be built (already announced in the press) within the framework of the budget. One economy decided on was the postponement of all electrification work, amounting to about 10 million forints.

#### 2. Extension of Broad-gauge Line.

The building of the broad-gauge railroad line between Záhony and Komoro via Tűssér is now complete. It is not yet in use; goods coming into Hungary from the USSR are trans-shipped at Záhony and goods going out of Hungary into the USSR are trans-shipped at Chop, on the Russian side.

## 3. Movement of Trucks.

During the week ending 10 January 1955 (on about 6 January), a total of five freight trains were seen moving from Kisvarda towards Zahony, each car carrying one new Skoda truck - i.e. a total of at least 250 trucks.

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## 4. Pakura-Peat Production.

- a. The Nagykapornak pakura-peat installation produced 600-800 tons daily in January 1955. This was to be increased to 1,000 tons daily by the end of February.
- b. The Zalaegerszag installation has been dismantled.
- c. Without this synthetic fuel, the Hungarian State Railroads would have found it necessary drastically to reduce traffic. The Minister of Mail and Transportation Lajes Bebrits, has given the pakura-peat production the highest priority, in order to keep the railroads running. He has thrown all the weight of his authority into the project, even getting the 80 million forints mentioned in Para. 1 (above) allocated to it, in the face of heavy losses on the railroads.

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